

The House Committee on Insurance offers the following substitute to SB 183:

A BILL TO BE ENTITLED
AN ACT

To amend Article 1 of Chapter 23 of Title 33 of the Official Code of Georgia Annotated, relating to insurance agents, agencies, subagents, counselors, and adjusters, so as to authorize insurance agents to charge and collect certain fees under certain circumstances; to provide for the keeping of records of such fees charged and collected; to provide for separate receipts for such fees; to prohibit the collection of any fees not so authorized; to provide for related matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 1 of Chapter 23 of Title 33 of the Official Code of Georgia Annotated, relating to insurance agents, agencies, subagents, counselors, and adjusters, is amended by adding a new Code section as follows:

"33-23-35.1.

(a) On or after July 1, 2008, insurance agents may charge and collect certain administrative fees directly from insureds when processing applications and endorsements for property and casualty insurance. Such fees shall be determined by the Commissioner by rule or regulation.

(b) The fees authorized pursuant to subsection (a) of this Code section may be collected for the following services:

- (1) Rewriting a canceled or lapsed policy;
- (2) Reinstatement of a policy;
- (3) Home reinspection;
- (4) Photographing a motor vehicle or home;
- (5) Receiving payments in the agency;
- (6) Motor vehicle reports; and
- (7) Any other services enumerated by the Commissioner by rule or regulation.

(c) If an agent elects to charge and collect service fees in accordance with subsection (a) of this Code section, such agent shall be required to collect service fees from all insureds. In charging such fees authorized by subsection (a) of this Code section, agents shall treat all insureds of a similar class proportionally equally, as set forth by federal law under 15 U.S.C. Section 13 and its implementing regulations, as they may be amended from time to time.

(d) Service fees charged and collected in accordance with subsection (a) of this Code section shall be collected separate and distinct from the insurance company's premium and shall be disclosed in writing to the insured as a separate charge by the agent before any services are rendered. The agent shall keep records of all such fees charged and collected in the same manner as premiums and the agent shall issue a separate receipt for any service fees collected.

(e) Except as expressly provided in this Code section, an agent shall not charge or collect additional fees for services."

SECTION 2.

This Act shall become effective on July 1, 2008.

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.